

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 00195 081249Z

47

ACTION IO-10

INFO OCT-01 AGR-05 RSC-01 AID-05 EB-07 INR-07 COME-00

ISO-00 TRSE-00 AF-06 ARA-06 EA-06 EUR-12 NEA-09 /075 W

----- 091022

P 081200Z JAN 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC PRIORITY 8883

LIMITED OFFICIAL USE ROME 0195

FODAG

E.O. 11652: N/A

TAGS: FAO, AORG, EAGR

SUBJECT: FAO EXPERT CONSULTATION, ROME, FEBRUARY 24-28, 1975:

FAO THINKING ON AGENDA ITEM 3.

REF: ROME 178, PARA 2.

1. B. BUTIA OF FAO ECONOMIC AND SOCIAL POLICY DEPARTMENT
VOLUNTERRED DRAFT OF FAO THINKING ON AGENDA ITEM 3 FOR POSSIBLE
USE BY U.S. EXPERT. TEXT FOLLOWS:

2. QUOTE: TOPIC 3-WAYS OF REGULATING EFFECTS ON COMMERCIAL MARKETS
AND PRICES OF NATIONAL STOCK POLICIES FORMULATED IN CONTEXT OF
WORLD FOOD SECURITY. WHAT ARE EFFECTS OF NATIONAL STOCK POLICIES
ON COMMERCIAL MARKETS AND PRICES? (I) N.B. DANGER THAT NATIONAL
STOCK POLICIES FORMULATED IN CONTEXT OF WORLD FOOD SECURITY COULD
INDIRECTLY LEAD TO UNDUE EXPANSION OF FOOD PRODUCTION AND
ACCUMULATION OF SURPLUSES. IS THIS DANGER MODIFIED BY CHANGED
WORLD STOCK SITUATION? (XX) IF EXTERNAL AID IS USED TO SET UP
RESERVE; PROBLEM OF DISPLACEMENT OF COMMERCIAL TRADE. PARTICULARLY
RELEVANT TO DEVELOPING COUNTRIES HEAVILY DEPENDENT ON FOOD EXPERTS.
RESERVES SHOULD IN NO WAY REDUCE VOLUME OF CURRENT CONSUMPTION
BY DIVERTING SUPPLIES FROM MARKET TO BUILD UP STOCKS OR VOLUME
OF IMPORTS. IN ORDER TO ENSURE THIS, SYSTEM OF PUBLIC ACCOUNTS
CONCERNING DRAWINGS FROM RESERVES COULD BE MADE AVAILABLE TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 00195 081249Z

AN INTERNATIONAL FORUM MUCH AS FAO CONSULTATIVE SUB-COMMITTEE

ON SURPLUS DISPOSAL. WHERE EXTERNAL AID IS INVOLVED, TERMS OF REPLENISHMENT MIGHT BE CONSIDERED IN THE LIGHT OF THESE ACCOUNTS. (B) IS IT NECESSARY TO DISTINGUISH A "SURPLUS" SITUATION FROM CONDITIONS OF NORMAL OR INADEQUATE STOCKS? IF NATIONAL STOCKS ARE CLOSE TO OR BELOW TARGET, THEIR RELEASE (FOR PRICE STABILIZATION PURPOSES OR TO MAINTAIN CONTINUITY OF EXPORT SUPPLIES) SHOULD NOT ADVERSELY DISTURB COMMERCIAL TRADE. IF STOCKS TEMPORARILY BECOME ABNORMALLY LARGE AND SURPLUS TO REQUIREMENTS, RELEASE MAY BECOME SUBJECT TO FAO PRINCIPLES ON SURPLUS DISPOSAL I.E. DISPOSAL OF STOCKS "IN AN ORDERLY MANNER", PRIOR CONSULTATION WITH COUNTRIES CONCERNED, ETC. (C) HOW CAN RELEASES BE PREVENTED FROM CAUSING SHORT-TERM FLUCTUATIONS IN PRICES? DEFINITE CONDITIONS FOR RELEASE OF STOCKS, I.E. INTERNATIONAL AGREEMENT ON DEFINITION OF AN "EMERGENCY." IF SIZE AND CONDITIONS OF USE ANNOUNCED AND STRICTLY FOLLOWED, COMMERCIAL TRADERS SHOULD NOT TAKE SUCH STOCKS INTO ACCOUNT IN THEIR NORMAL MARKET CALCULATIONS, AND COMMERCIAL MARKETS SHOULD NOT BE AFFECTED. (D) HOW CAN HOLDING OF LARGE RESERVES BE PREVENTED FROM HAVING WHAT EXPORTER MAY CONSIDER GENERAL DEPRESSING EFFECT ON PRICES? (DISTINGUISH FROM PRICE STABILIZATION). BY PRECISELY DEFINING THEIR PURPOSE? (E.E. STRESS LIMITED INTERFERENCE WITH NORMAL MARKET CHANNELS. VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGRICULTURAL PRODUCTION, MEETING AGENDA, INTERNATIONAL ORGANIZATIONS, CONSULTANTS, FAO EXPERT CONSULTATION MEETING
Control Number: n/a
Copy: SINGLE
Draft Date: 08 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ROME00195
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750007-0521
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750169/aaaaciqs.tel
Line Count: 82
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 ROME 178
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 04 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 JUN 2003 by ElyME>; APPROVED <05 JUN 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FAO EXPERT CONSULTATION, ROME, FEBRUARY 24-28, 1975: FAO THINKING ON AGENDA ITEM 3.
TAGS: AORG, EAGR, US, FAO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006